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10	UNITED STATES	DISTRICT COURT
11	CENTRAL DISTRI	CT OF CALIFORNIA
12	SOUTHER	N DIVISION
13		
14	FRANCIS JANCIK, individually and	No. SACV13-01387-DOC (RNBx)
15	on behalf of others similarly situated,	DEFENDANT REDBOX
16	Plaintiffs,	AUTOMATED RETAIL, LLC'S
17	V.	MOTION TO DISMISS FIRST, SECOND AND THIRD CAUSES OF
18		ACTION OF PLAINTIFF'S
19	REDBOX AUTOMATED RETAIL, LLC, a Delaware limited liability	SECOND AMENDED COMPLAINT
20	company; VERIZON AND REDBOX DIGITAL ENTERTAINMENT	[Fed. R. Civ. P. 12(b)(6)]
21	SERVICES, LLC, a Delaware limited	Date: April 7, 2014
22	liability company; and DOES 1 through 10, inclusive,	Time: 8:30 a.m. Judge: Hon. David O. Carter
23		Courtroom: 9D
24	Defendants.	
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28		

Please take notice that on April 7, 2014 at 8:30 a.m., or as soon thereafter as	
counsel may be heard, in the Courtroom of the Honorable David O. Carter,	
Courtroom 9D, Ronald Reagan Federal Building and U.S. Courthouse, 411 West	
Fourth Street, Santa Ana, CA 92701-4516, Defendant Redbox Automated Retail,	
LLC ("Redbox"), by and through its attorneys Perkins Coie LLP, will and hereby	
does move this Court to dismiss the First, Second, and Third Causes of Action of	
Plaintiff's Second Amended Complaint for failure to state a claim pursuant to	
Federal Rule of Civil Procedure 12(b)(6).	
This Motion is made following the conference of counsel pursuant to Local	
Rule 7-3, which took place on February 5, 2014.	
The Motion is based on the grounds that Plaintiff has failed to allege	
cognizable harm under the ADA or related state statutes. The ADA does not	
regulate the content or characteristics of goods and services offered at places of	
public accommodation. Further, any interpretation of the ADA and state statutes	
that would require Redbox to make available only those DVDs that are closed-	
captioned runs afoul of the First Amendment.	
This Motion is based on this Notice and the accompanying Memorandum of	
Points and Authorities, all pleadings, files and records in this action, arguments of	
counsel, and those matters regarding which the Court may take judicial notice.	
Dated: February 13, 2014 PERKINS COIE LLP	
By: /s/ Timothy L. Alger	
Timothy L. Alger	
Attorneys for Defendant Redbox Automated Retail, LLC	
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MEMORANDUM OF POINTS AND AUTHORITIES

I. SUMMARY OF ARGUMENT

Redbox Automated Retail, LLC ("Redbox")¹ operates self-service video rental kiosks inside grocery and other stores. Plaintiff has sued Redbox for alleged violation of the federal Americans with Disabilities Act ("ADA"), the California Unruh Civil Rights Act ("Unruh Act"), the California Disabled Persons Act ("DPA"), and other state statutes.² Plaintiff, who is deaf, alleges that Redbox violates the law by making available to consumers movie DVDs that do not contain closed-captioning. Plaintiff does not allege that he faced any barriers to access at Redbox kiosks or in using the video rental services provided at Redbox kiosks.

Plaintiff has failed to allege cognizable harm under the ADA or related state statutes. The ADA does not regulate the content or characteristics of goods and services offered at places of public accommodation. Just as a library is not required to lend only those books that it has available in Braille, a video rental service such as Redbox is not required to exclusively stock closed-captioned DVDs. Further, any interpretation of the ADA and state statutes that would require Redbox to make available only those movie DVDs that are closed-captioned runs afoul of the First Amendment by imposing requirements on the distributors of expressive speech that will necessarily restrict access to that speech.

Redbox requests that this Court dismiss Plaintiff's claims against Redbox for violations of the ADA, the Unruh Act, and the DPA.

dismiss.

¹ Redbox Instant is a service provided by Verizon and Redbox Digital Entertainment Services, LLC, a separate entity and a co-defendant in this action. This motion does not make arguments related to Redbox Instant or on behalf of Verizon and Redbox Digital Entertainment Services, LLC, which operates Redbox Instant and is separately represented in this action. To the extent that Plaintiff's claims against Redbox rest on the theory that Redbox has liability for alleged acts of Verizon and Redbox Digital Entertainment Services, LLC, Redbox joins Verizon and Redbox Digital Entertainment Services, LLC's motion to

² Plaintiff also asserts claims for alleged violation of the California Consumer Legal Remedies Act, Civ. Code §§ 1750 *et seq.*, the California False Advertising Law, Bus. & Prof. Code §§ 17500 *et seq.*, and the California Unfair Competition Law, Bus. & Prof. Code §§ 17200 *et seq.* This motion does not challenge these causes of action.

II. BACKGROUND

A. Plaintiff's Allegations

The core of Plaintiff's first three causes of action against Redbox is that Redbox has discriminated against him on the basis of his hearing disability by failing to provide closed-captioning on all of the movies in Redbox's rental inventory. (*See*, *e.g.*, Second Amended Complaint ("SAC") ¶¶ 1, 7, 28, 62, 65, 68.) (Dkt. 22.)

Redbox operates a network of automated video rental kiosks at retail stores in California and throughout the United States. (SAC ¶¶ 3, 13, 24.) Plaintiff does not allege that he cannot access and use Redbox's kiosks; in fact, he alleges in the SAC that he has successfully rented several titles. (*Id.* ¶¶ 11, 41, 42, 44, 46.) Plaintiff claims that he rented two discs from Redbox, that the discs stated closed-captioning was available on the discs, but that he was unable to view any of the closed-captioning. (*Id.* ¶¶ 44, 46.) He asserts that an "overwhelming majority of content available at [Redbox's] kiosks" is not closed-captioned, although he also alleges the kiosks and the website redboxinstant.com are set up such that "it is difficult, if not impossible, to determine the exact percentage of closed captioned content available" from Redbox. (*Id.* ¶¶ 11, 28, 30, 31, 62.)

B. Procedural Background

Plaintiff filed his initial Complaint on September 6, 2013. (Dkt. 1.) On October 8, 2013, after Plaintiff informed Defendants of his intention to amend the Complaint, the parties stipulated that any amended complaint would be filed by October 25, 2013, and Defendants would respond by December 4, 2013. The First Amended Complaint was filed on October 25, 2013. (Dkt. 13.) Redbox filed a motion to dismiss the first, second, and third causes of action of Plaintiff's First Amended Complaint on December 4, 2013. (Dkt. 17.) Thereafter, Plaintiff informed Defendants of his intention to further amend the Complaint. The parties stipulated that the SAC would be filed on or before January 27, 2014, and

- 1 Defendants would file their responses within thirty days of the acceptance of the
- 2 SAC by the Court for filing. (Dkt. 19.) The SAC was filed on January 14, 2014.
- 3 (Dkt. 22.)

III. LEGAL STANDARD

To survive a Rule 12(b)(6) motion to dismiss, a complaint must contain factual allegations sufficient to "state a claim to relief that is plausible on its face." *Bell Atlantic Corp. v. Twombly,* 550 U.S. 544, 570 (2007). "[L]abels and conclusions" and "a formulaic recitation of the elements of a cause of action" are insufficient. *Id.* at 555. The complaint must allege "more than an unadorned, the-defendant-unlawfully-harmed-me accusation." *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). "Dismissal is proper if the complaint lacks a 'cognizable legal theory' or 'sufficient facts alleged under a cognizable legal theory." *Valentini v. Shinseki*, 860 F. Supp. 2d 1079, 1089 (C.D. Cal. 2012) (citation omitted).

IV. ARGUMENT

A. Plaintiff Fails to Allege That Redbox Has Discriminated Against Him Because of His Disability.

To state a discrimination claim under Title III of the ADA, a plaintiff must allege that: "(1) he is disabled within the meaning of the ADA; (2) the defendant is a private entity that owns, leases, or operates a place of public accommodation; and (3) the plaintiff was denied a public accommodation by the defendant because of his disability." *See Cullen v. Netflix, Inc.*, 880 F. Supp. 2d 1017, 1023 (N.D. Cal. 2012) (quoting *Ariz. ex rel. Goddard v. Harkins Amusement Enters.*, 603 F.3d 666, 670 (9th Cir. 2010)). The Ninth Circuit has repeatedly confirmed that a "place of public accommodation" within the meaning of Title III refers to an "actual, physical place." *See, e.g., National Federation of the Blind v. Target Corp.*, 452 F. Supp. 2d 946, 952 (N.D. Cal. 2006); *Weyer v. Twentieth Century Fox Film Corp.*, 198 F.3d

1104, 1114 (9th Cir. 2000).³ Under the ADA, "discrimination" includes "the denial of the opportunity, by the disabled, to participate in programs or services, and providing the disabled with separate, but unequal, goods or services." *Target*, 452 F. Supp. 2d at 951 (citing 42 U.S.C. § 12182(b)(1)(A)(i-iii)).

Plaintiff has not alleged that he was denied the opportunity to rent movie DVDs from Redbox kiosks. Rather, he complains only that some Redbox titles do not contain closed-captioning. Under Plaintiff's theory, any distributor of expressive content – books, magazines, newspapers, movies, and music – can distribute those materials only if the distributor also provides all of that content in versions that can be fully enjoyed by deaf and blind consumers. If versions are not available for disabled customers, then the content may not be distributed without violating the ADA.

The ADA plainly does not impose on merchants the requirement that all of their offered goods and services can be used and fully enjoyed by all consumers – particularly here, where the goods and services at issue convey protected speech. While Redbox *does* make available to its customers many movie titles that are closed-captioned (including the movies that Plaintiff rented), it is not obligated by law to provide closed-captioned versions of every title in its vast inventory. Plaintiff's theory of liability is defeated by the ADA implementing regulations, and by the fact that the ADA regulates only public accommodations – not goods and services lacking a "nexus" with the place of public accommodation.

1. By Federal Regulation, Redbox is Not Required to Restrict its Inventory to DVDs that Are Closed-Captioned.

Plaintiff's SAC lacks any allegation that Redbox has denied him access to a public accommodation on the basis of his disability. Plaintiff does not allege that

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³ For the purposes of this motion to dismiss, Redbox does not dispute that Plaintiff is disabled within the meaning of the ADA, or that the kiosks owned and operated by Redbox are "place[s] of public accommodation" under Title III.

he faced any barriers or was denied access to any Redbox kiosks. *See Cullen*, 880 F. Supp. 2d at 1023. Further, Plaintiff does not allege that he was denied access to the rental services offered by Redbox. Instead, the gravamen of Plaintiff's complaint is that he is unable to fully enjoy DVDs rented from a Redbox kiosk because two movies he rented did not contain closed-captioning. This allegation – that Redbox has not altered all of its goods and services to accommodate the hearing-impaired – does not give rise to a cognizable ADA claim.

First, the implementing regulations explicitly preclude it. In its regulations implementing Title III of the ADA, the Department of Justice explicitly dictated that a public accommodation is not required "to alter its inventory to include accessible or special goods that are designed for, or facilitate use by, individuals with disabilities." 28 C.F.R. § 36.307(a). The regulation's definition of "accessible or special goods" specifically includes "closed-captioned video tapes." 28 C.F.R. § 36.307(c). In the appendix to this regulation, the DOJ further explains that "a video store must make its facilities and rental operations accessible, *but it is not required to stock closed-captioned video tapes.*" 28 C.F.R. Pt. 36, App. C (emphasis added).

Even aside from the regulation, Plaintiff lacks an injury cognizable under the ADA. Plaintiff has not alleged that Redbox has failed to make its kiosks and rental services accessible to hearing-disabled individuals. Given this, Redbox is not required to alter the characteristics and content of the DVDs offered through its rental service. *See Weyer*, 198 F.3d at 1115 (the "language [of the ADA] does not require provision of different goods or services, just nondiscriminatory enjoyment of those that are provided").

That uncaptioned DVDs cannot be as fully enjoyed by Plaintiff as those who are not disabled is not a violation of the ADA. *See Torres v. AT&T Broadband, LLC,* 158 F. Supp. 2d 1035, 1038 (N.D. Cal. 2001). In *Torres,* the plaintiff claimed that AT&T discriminated against him because the channel menu for AT&T's digital cable service was inaccessible to visually impaired individuals. *Id.* at 1036. The

plaintiff contended that the cable services were not "as valuable to him" as they would have been if he were not visually impaired. *Id.* at 1038. The court found that such allegations did not state a cognizable harm. *Id.* It reasoned that "[t]he ADA only requires that the defendants do not discriminate against the visually impaired in *accessing* their digital cable services. If the visually impaired have already gained access to the defendants' services, there can be no ADA violation." *Id.* (emphasis added).

To the extent that Plaintiff alleges that he faces an access barrier because Redbox makes captioned movies within its library "hard to locate," this claim similarly falls short. (*See* SAC ¶ 31.) Plaintiff does not claim that the user interface of Redbox's kiosks is inaccessible to him because of his hearing disability or that the user interface in any way impairs his ability to rent movies at the kiosks. As in *Torres*, Plaintiff is simply claiming that Redbox's user interface is not as valuable to him as it would be if he were not hearing-disabled. *See* 158 F. Supp. 2d at 1038. This is not a cognizable ADA claim, especially where Plaintiff has demonstrated his access to Redbox's rental service by successfully renting DVDs on more than one occasion. (*See* SAC ¶¶ 44, 46.)

2. Plaintiff Cannot Allege a Sufficient "Nexus" Between the Enjoyment of Redbox's Inventory and a Public Accommodation

In limited circumstances, a plaintiff may premise an ADA violation on the basis of unequal access to a "service" provided by a place of public accommodation if he sufficiently alleges that there is a "nexus' between the challenged service and the place of public accommodation." *Target*, 452 F. Supp. 2d at 952. Such claims may arise where "intangible barriers' restrict a disabled person's ability to *enjoy* the defendant entity's goods, services and privileges." *Id.* at 954 (quoting *Rendon v. Valleycrest Prod., Ltd.,* 294 F.3d 1279, 1286 (11th Cir. 2002)) (emphasis in original).

This does not mean that a service has to be equally enjoyed by the disabled and the non-disabled. In *Stern v. Sony Corporation*, the plaintiff alleged that he was not able to fully enjoy Sony's video games due to visual processing disabilities that prevented him from locating necessary friends, characters, and items within the video game. No. CV 09-7710 PA (FFMx), 2010 WL 8022226, at *1 (C.D. Cal. Feb. 8, 2010). Plaintiff's inability to locate items within the game allegedly prevented him from "meaningfully interacting with fellow game enthusiasts at the conventions and other events Sony organizes to promote the video games." *Id.* He asserted that these conventions were "places of public accommodation" that he had been denied access to because he could not "meaningfully interact" with other gamers in attendance. *Id.* at *3.

The *Stern* court observed that plaintiff had only been deterred from attending the conventions, and had not actually been denied physical access. *Id.* Further, the complaint lacked any allegation that Sony was "screen[ing] out" any individuals from "fully and equally enjoying" the conventions it heat?" *Id.* In feet Plaintiff

The *Stern* court observed that plaintiff had only been deterred from attending the conventions, and had not actually been denied physical access. *Id.* Further, the complaint lacked any allegation that Sony was "screen[ing] out" any individuals from "fully and equally enjoying' the conventions it hosts." *Id.* In fact, Plaintiff conceded that "the only barrier to the place of public accommodation is the difficulties [he] experiences while playing the video games." *Id.* The court thus found that plaintiff had not provided the required "nexus" between the video game and an actual physical place. *Id.*

The Ninth Circuit affirmed, concluding that Stern's alleged "nexus" was "too tenuous to support a cause of action under the ADA." *Stern v. Sony Corp. of Am.*, 459 F. App'x 609, 610-11 (9th Cir. 2011).

The outcome should be the same here. "[T]he purpose of the ADA's public accommodations requirement is to ensure accessibility to the goods offered by a public accommodation, not to alter the nature or mix of goods that the public accommodation has typically provided." *Target*, 452 F. Supp. 2d at 956 (citation omitted). As noted above, Title III of the ADA simply does not regulate the *content* of the goods and services of a public accommodation, and Plaintiff's

1	"nexus" allegation is not sufficient to circumvent this requirement. See Harkins,				
2	603 F.3d at 672; McNeil v. Time Ins. Co., 205 F.3d 179, 186-87 (5th Cir. 2000);				
3	Doe v. Mutual of Omaha Ins. Co., 179 F.3d 557, 560 (7th Cir. 1999); Ford v.				
4	Schering-Plough Corp., 145 F.3d 601, 613 (3d Cir. 1998); Parker v. Metropolitan				
5	Life Ins. Co., 121 F.3d 1006, 1012 (6th Cir. 1997).				
6	3. The ADA's "Auxiliary Aids and Services" Provision Does				
7	Not Require Redbox to Modify the Inventory it Makes				
8	Available.				
9	The "auxiliary aids and services" provision of the ADA cannot be used to				
10	regulate the DVDs rented by Redbox. (SAC ¶ 65.) That provision provides that				
11	public accommodations take necessary steps "to ensure that no individual with a				
12	disability is excluded, denied services, segregated or otherwise treated differently				
13	than other individuals" by the public accommodation "because of the absence of				
14	auxiliary aids and services." 42 U.S.C. § 12182(b)(2)(A)(iii). That is, public				
15	accommodations must provide such aids in order to "effectively communicate with				
16	individuals with disabilities." 28 C.F.R. § 36.303(c)(1); Target, 452 F. Supp. 2d at				
17	955. But Plaintiff does not allege that there are any intangible barriers that prevent				
18	him from communicating at the kiosks themselves or at the website				
19	redboxinstant.com, ⁴ nor does he allege that he faces communication barriers in				
20	accessing the rental service provided at the Redbox kiosks. ⁵				
21	In Sony, the plaintiff claimed that Sony was required to modify its video				
22					
23	⁴ Plaintiff claims that it is possible to use redboxinstant.com to search for titles, find the nearest Redbox				
24	kiosk locations, reserve a title to pick up at a Redbox kiosk, and redeem credits from the website at physical kiosk locations. (SAC ¶¶ 25 - 27.) However, Plaintiff has not alleged that he has ever used the				
25	Redbox Instant website in this way when renting movies from Redbox's kiosks, let alone that he faced any communication barriers in using the website. (See SAC ¶ 44, 46.)				
26	⁵ Redbox kiosks are not movie theaters; rather, they offer an inventory of DVDs and Blu-Rays through an automated kiosk, like a video store rents movies and a bookstore sells books. Plaintiff does not allege that				
27	the service offered through Redbox includes the screening of movies at the kiosks. <i>Cf. Ball v. AMC Enter.</i> , <i>Inc.</i> , 246 F. Supp. 2d 17, 24 (D.D.C. 2003) (theaters not exempt from providing closed captioning				
28	to hearing disabled individuals because they are "not similarly-situated to bookstores and video stores that provide goods [theaters] provide the <i>service</i> of screening first run movies"). -8-				
	-U-				

games to make "auxiliary aids and services" available so that he could fully enjoy the video game. 2010 WL 8022226, at *4. The court held that his argument was based on a faulty understanding of the purpose of the "auxiliary aids and services" provision. The court noted that the problem with plaintiff's argument was that "he [did] not seek an auxiliary aid to foster effective communication at a place of public accommodation such as Sony's conventions, or to take full advantage of the goods, services, and privileges available at the conventions." *Id.* at *4. Rather, plaintiff sought auxiliary aids in order to "fully enjoy the *video games*," which the court had already concluded were not sufficiently connected to Sony's conventions. *Id.* (emphasis added). The court rejected this construction of the auxiliary aids and services provision and cautioned that "[t]o hold otherwise would create potential liability under the ADA for manufacturers... if [they] failed to make available auxiliary aids allowing the entire panoply of individuals with disabilities the full enjoyment of their products." *Id.*

Plaintiff here cannot argue that Redbox is required to modify the DVDs offered through its rental service to make "auxiliary aids and services" available when he faced no communication barriers in using the kiosk itself.

4. Plaintiff Has Not Requested a Reasonable Modification to a Redbox Policy, Practice, or Procedure.

Finally, Plaintiff's assertion that Redbox has discriminated against him by failing to make a requested reasonable modification in policies, practices, or procedures fails as a matter of law. A plaintiff can make a claim of discrimination under Title III where he requests a modification of "policies, practices, or procedures" by the defendant that are necessary to accommodate the plaintiff's disability and defendant refuses to make the modification. *Fortyune v. Am. Multi-Cinema, Inc.*, 364 F.3d 1075, 1082 (9th Cir. 2004) (citing 42 U.S.C. § 12182(b)(2)(A)(ii)).

The SAC lacks any plausible assertion that Redbox employs any policy,

1	practice, or procedure that is discriminatory in effect, or that Plaintiff ever
2	requested a modification to any Redbox policy, practice or procedure. Rather,
3	Plaintiff has merely alleged in a conclusory fashion that Redbox "designed,
4	constructed, implemented and maintained policies, practices, [and] procedures" that
5	contain access barriers to the deaf and hard of hearing, and "[m]odifying its policies
6	and providing closed captions as auxiliary aids and services would not
7	fundamentally alter the nature of Redbox's DVD rental business, nor would it pose
8	an undue burden to this flourishing company." (SAC ¶¶ 32, 65.) This amounts to
9	nothing more than a legal conclusion and is not sufficient to state a claim for relief.
10	<i>Iqbal</i> , 556 U.S. at 678-79.
11	To the extent that the SAC can be construed as alleging that Redbox has a
12	"policy" or "practice" of not captioning movie DVDs and making captioned conten
13	"hard to locate" (see SAC ¶¶ 31, 32), Plaintiff's requested modification is neither
14	reasonable nor necessary under the law. As discussed above, modification of
15	entertainment content distributed by Redbox is not reasonable or required because
16	the ADA does not regulate goods and services of public accommodations. (See
17	supra Section IV(A)(1)-(3).)
18	Further, the requested modification, even if made, would not as a practical
19	matter accommodate Plaintiff's disability under the law. Plaintiff has not alleged
20	that the refusal to modify excludes him from Redbox's kiosks or Redbox's rental
21	service provided at those kiosks. See Lentini v. Cal. Center for the Arts, Escondido
22	370 F.3d 837, 845 (9th Cir. 2004).
23	B. Plaintiff's Allegations Are Not Sufficient to Support His Related
24	State Causes of Action.
25	Plaintiff contends that Redbox's alleged ADA violations also provide the
26	basis for claims under the Unruh Act and DPA. (SAC ¶¶ 76, 84.) To the extent
27	Plaintiff's Unruh and DPA claims mirror his ADA claims, these causes of action

should be dismissed for the reasons set forth above. (*See supra* Section IV(A)(1).); *Belton v. Comcast Cable Holdings, LLC*, 151 Cal. App. 4th 1224, 1238 (2007).

Plaintiff's attempt to set forth an Unruh Act violation independent of the alleged ADA violation falls short. "A violation of the Unruh Act may be maintained independent of an ADA claim only where a plaintiff pleads 'intentional discrimination in public accommodations in violation of the terms of the Act." Cullen, 880 F. Supp. 2d at 1024 (emphasis added). Intentional discrimination requires allegations of "willful, affirmative misconduct," and the plaintiff must allege more than the disparate impact of a facially neutral policy on a particular group." Id. (citing Koebke v. Bernardo Heights Country Club, 36 Cal. 4th 824, 854 (2005)).

Plaintiff asserts that Redbox's alleged discrimination is intentional because Redbox has designed, constructed, implemented and maintained policies, practices, procedures, and barriers that discriminate against the hearing disabled with knowledge of this discrimination, and that Redbox has failed to take action to prevent this discrimination. (SAC ¶ 75.) These conclusory allegations, however, do not rise to the "willful, affirmative misconduct" standard required for an independent Unruh claim.

In *Cullen*, plaintiff argued that Netflix had intentionally discriminated against hearing-impaired individuals in violation of the Unruh Act because it did not provide closed-captioning on "a meaningful amount of its streaming library" and only a small portion of its library was captioned. *Cullen*, 880 F. Supp. 2d at 1024. The court held that such allegations were not sufficient because they merely "describe[d] a policy with disparate impact on hearing-impaired individuals, but [did] not describe willful, affirmative misconduct." *Id.; accord Greater Los Angeles Agency on Deafness, Inc. v. Cable News Network, Inc.* ("CNN"), -- F.3d --, 2014 WL 449045, at *7-*8 (9th Cir. Feb. 5, 2014) (no intentional discrimination where CNN did not offer closed captioning on any news video offered at its

website, given that this practice "applied equally to all CNN.com visitors, hearing-impaired or not"). Plaintiff also has not plausibly alleged that Redbox has intentionally discriminated against him *because of* his disability. *See CNN*, 2014 WL 449045, at *8.

Plaintiff's DPA claim similarly cannot be saved by alleging that it rests on grounds separate and distinct from his ADA claim. An independent DPA claim "requires a showing that accessibility regulations promulgated under California law exceed those set by the ADA." *Cullen*, 880 F. Supp. 2d at 1025. The SAC is silent as to any relevant standards established by California law that exceed those set by the ADA. *See id*.

C. Construing the ADA and State Laws to Require Closed-Captioning of All Content Redbox Offers Would Impinge on Fundamental Constitutional Rights.

This Court cannot extend the ADA or the related state laws in a manner that regulates Redbox's library of DVD titles without running afoul of the First Amendment. Such an interpretation of the ADA would punish those who distribute expressive speech simply whenever that speech cannot be as fully enjoyed by the hearing-impaired as by those who are not impaired.

It is axiomatic that "statutes will be interpreted to avoid constitutional difficulties." Fair Housing Council of San Fernando Valley v. Roommate.com, LLC, 666 F.3d 1216, 1222 (9th Cir. 2012). "Where an otherwise acceptable construction of a statute would raise serious constitutional problems, the Court will construe the statute to avoid such problems unless such construction is plainly contrary to the intent of Congress." Id. (quoting Pub. Citizen v. U.S. Dep't of Justice, 491 U.S. 440, 466 (1989)). Given the likely impact on free speech, the ADA must not be read so expansively as to require Redbox to exclude from its rental inventory all titles that are not closed-captioned.

1. Redbox's Selection of Movies is Expressive Speech Subject to First Amendment Protection.

The movies and other media offered through Redbox's inventory are afforded the highest level of First Amendment protection as expressive speech. *Brown v. Entm't Merchants Assn.*, 131 S. Ct. 2729, 2733 (2011) (noting that movies "communicate ideas – and even social messages – through many familiar literary devices... and through features distinctive to the medium"). Additionally, Redbox's choice of movies that it makes available to consumers is an act of editorial decision-making and constitutes protected speech. *See Turner Broadcasting System, Inc. v. F.C.C.*, 512 U.S. 622, 636 (1994) ("[B]y exercising editorial discretion over which stations or programs to include in its repertoire,' cable programmers and operators 'seek to communicate messages on a wide variety of topics and in a wide variety of formats."); *Miami Herald Pub. Co. v. Tornillo*, 418 U.S. 241, 258 (1974) (rejecting statute requiring newspaper to make space available as a matter of fairness).

2. Forcing Redbox to Only Offer Captioned DVDs is a Content-Based Restriction Which Cannot Survive Strict Scrutiny.

Plaintiff's proposed interpretation of the ADA, which would force Redbox to only offer movies with closed-captioning, would be a content-based regulation that must be analyzed with strict scrutiny. Regulations that "suppress, disadvantage, or impose differential burdens upon speech because of its content" are held to the most exacting scrutiny. *Turner*, 512 U.S. at 642; *Brown*, 131 S. Ct. at 2733 ("As a general matter, government has no power to restrict expression because of its message, its ideas, its subject matter, or its content."). Where a statute regulates speech based on its content, it must be "narrowly tailored" to achieve a "compelling government interest." *U.S. v. Playboy Entm't Group, Inc.*, 529 U.S. 803, 813 (2000); *R.A.V. v. City of St. Paul*, 505 U.S. 377, 395 (1992). The government must

"specifically identify an 'actual problem' in need of solving, and the curtailment of free speech must be actually necessary to the solution." *Brown*, 131 S. Ct. at 2738 (citing *Playboy*, 529 U.S. at 822-23, and *R.A.V.*, 505 U.S. at 395). In light of this demanding standard, it is rare that a content-based regulation can withstand challenge. *Id.* (citing *Playboy*, 529 U.S. at 818).

Construing the ADA to force Redbox to maintain an inventory comprised only of captioned DVDs would transform a facially content-neutral regulation into a content-based regulation. Plaintiff's proposed application of the ADA would punish Redbox based on the content of its speech – specifically, it would impose liability because Redbox allegedly makes available to the public movies that are uncaptioned. *See Ward v. Rock Against Racism*, 491 U.S. 781, 791 (1989).

This impinges on Redbox's freedom of speech because it compromises both the right to speak and the right *not* to speak, which are equally protected under the First Amendment. See, e.g., Riley v. National Federation of the Blind of North Carolina, Inc., 487 U.S. 781, 796-97 (1988). With respect to Redbox's right to speak, the ADA must not be used to restrict Redbox's choice of movies, which otherwise might include uncaptioned DVDs. See Playboy, 529 U.S. at 811. Under Plaintiff's reading of the ADA, Redbox must engage in self-censorship, thus restricting the public's access to uncaptioned content that the government would not otherwise be able to directly suppress without impinging on free speech. See Smith v. California, 361 U.S. 147, 153-4 (1959) (holding ordinance criminalizing booksellers for the possession and distribution of obscene materials overbroad). Just as a bookseller required to inspect all of his materials to root out obscenity would necessarily reduce the entire corpus of books offered to the public, a regulation charging Redbox with inspecting thousands of movies and only offering captioned content would necessarily restrict the entire library of films offered to the public. *Id*.

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Further, forcing Redbox to only offer captioned content implicates Redbox's right *not* to speak. Laws that compel speech are held to the same strict scrutiny as traditional content-based regulations because "[m]andating speech that a speaker would not otherwise make necessarily alters the content of the speech." *Riley*, 487 U.S. at 795; *see also Tornillo*, 418 U.S. at 256; *Wooley v. Maynard*, 430 U.S. 705, 714-17 (1977) (individual could not be compelled to display "Live Free or Die" state motto on license plate).⁶

The Ninth Circuit's recent *CNN* decision involving closed captioning is inapposite. There, plaintiff alleged that the CNN.com website violated the Unruh Act and DPA by intentionally excluded hearing disabled individuals from accessing news videos by failing to provide captioning. *CNN*, 2014 WL 449045, at*3. CNN argued that interpreting the DPA to require CNN.com to provide closed captioning would impermissibly burden CNN's speech by forcing it to speak. The Ninth Circuit disagreed, finding that a captioning requirement "would simply require CNN to express the same speech it already expresses to hearing visitors of CNN.com." *Id.* at *12 n.7.

Unlike CNN, which is both the creator and distributor of its online news streaming video, Redbox is solely a distributor. It does not create or control the movies available at its kiosks. Plaintiff seeks to punish Redbox for its choice of expressive content originating from others. *See Turner*, 512 U.S. at 636 (protecting exercise of editorial discretion over which stations or programs to offer); *Tornillo*, 418 U.S. at 258 (rejecting statute requiring newspaper to make space available as a matter of fairness). Under Plaintiff's theory of liability, Redbox must either add captions to DVDs that convey the speech of other parties, or exclude it entirely from its inventory. Compelling a distributor such as Redbox to only offer

⁶ Redbox's in-store rental kiosks do not fall within the historic justification for government regulation of the broadcast media. *See Reno v. American Civil Liberties Union*, 521 U.S. 844, 868 (1992).

⁷ To the extent the creator of video content may be liable for not offering closed captioning, Redbox is not the proper party and should be dismissed from this case.

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captioned movies in its rental library would require it to engage in speech where it might otherwise choose to be silent. *Riley*, 487 U.S. at 795. *CNN* is not controlling here.

Either way, interpreting the ADA as requiring Redbox to offer to consumers only captioned content would chill speech. Redbox would be compelled to limit its inventory to only those titles that have closed-captioning and are fully enjoyable by the deaf, drastically reducing the amount of expressive speech that otherwise would be available to millions of people who do not have hearing impairments. (See SAC ¶ 3 (alleging Redbox has rented over 2 billion movies nationally and accounts for 1/3 of the movie rental market).)

Smaller movie studios, as well as independent filmmakers, may not have the resources to offer closed-captioning. Additionally, some older films may not have been closed-captioned when made, and adding closed-captioning might impose costs that dissuade owners from distributing them. Limiting Redbox's movie DVD inventory to those titles with captions would result in the widespread availability only of videos created by studios and distributors that have large resources and the incentive to invest in closed-captioning. The ADA must not be read to burden speech in this manner.

Clearly, then, an interpretation of the ADA that punishes the distribution of content lacking captions fails constitutional strict scrutiny because it would not be "narrowly tailored" to serve the government's interests in enacting the ADA. Regulations are not narrowly tailored where less restrictive means are available or where the regulation is not necessary to achieve the compelling government interest. Boos v. Barry, 485 U.S. 312, 329 (1988). While the government might have a compelling interest in the elimination of discrimination based on disability, 42 U.S.C. § 12101(b)(1), construing the ADA in a manner that restricts speech for the *non*-disabled is like bringing a sledgehammer to a problem that requires the precise tools of a watchmaker. See Reno, 521 U.S. at 885 (holding

Communications Decency Act unconstitutional because it restricted speech for adults based on the government's stated goal of protecting minors).

Moreover, construing the ADA to regulate the content offered by public accommodations is not necessary to the goal of eliminating discrimination against the disabled. The government has already recognized as much in its regulations implementing Title III. (*See supra* Section IV(A)(1).) The ADA aims to ensure that individuals with disabilities are provided equal *access* to public accommodations and the goods and services provided therein. This does not extend to alteration of inventory. *Id.* At a minimum, there are a number of less restrictive alternatives than forcing Redbox to alter the inventory it offers through its rental service. As technology evolves and speech recognition software and equipment becomes more commonplace, there will be many other means for disabled persons to obtain captioned content without burdening Redbox's speech.

3. Even if the ADA's Application to Redbox's Movie Inventory Is Content-Neutral, it Still Does Not Survive Intermediate Scrutiny.

If Plaintiff's proposed application of the ADA is regarded as a content-neutral restriction, it would impermissibly burden Redbox's speech under the less-exacting intermediate scrutiny standard. "Laws that confer benefits or impose burdens on speech without reference to the ideas or views expressed" are generally treated as content-neutral, and thus held to an intermediate level of scrutiny. *Turner*, 512 U.S. at 642-43. Such laws are often deemed "time, place, or manner" regulations, and "must be narrowly tailored to serve the government's legitimate, content-neutral interests." *Ward*, 491 U.S. at 798.

Unlike content-based regulations, time, place and manner restrictions "need not be the least restrictive or least intrusive means" of promoting a "substantial government interest." *Id.* at 798-99. Although this standard is less demanding than strict scrutiny, a time, place, or manner regulation may not "burden substantially

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1 more speech than is necessary to further the government's legitimate interests. 2 Government may not regulate expression in such a manner that a substantial portion 3 of the burden on speech does not serve to advance its goals." *Id.* at 800 (citing 4 Frisby v. Schultz, 487 U.S. 474, 485 (1988)). 5 This case does not implicate the civil rights that Congress sought to protect 6 when it enacted the ADA. Congress was concerned with tangible and intangible 7 barriers to access in public accommodations. See, e.g., Target, 452 F. Supp. 2d at 8 951. As demonstrated above, Plaintiff has not alleged any such access barriers to 9 its kiosks, see supra Section IV(A)(1), and construing the ADA to regulate 10 Redbox's inventory would not serve to advance the goals of equal access to public 11 accommodations. Such interpretation would cause the government to burden 12 substantially more speech than necessary to further its interests in eliminating 13 barriers that prevent disabled individuals from accessing public accommodations. 14 Accordingly, the Court should avoid serious constitutional concerns and 15 reject any interpretation of the ADA that imposes on Redbox the obligation to offer 16 consumers only captioned content. See Fair Housing Council, 666 F.3d at 1222. 17 V. CONCLUSION 18 For the foregoing reasons, Redbox respectfully requests that the First, 19 Second, and Third Claims for Relief of Plaintiff's Second Amended Complaint be 20 dismissed pursuant to Federal Rule of Civil Procedure 12(b)(6). 21 DATED: February 13, 2014 PERKINS COIE LLP 22 23 By: /s/ Timothy L. Alger Timothy L. Alger 24 Attorneys for Defendant 25 Redbox Automated Retail, LLC 26 27 28